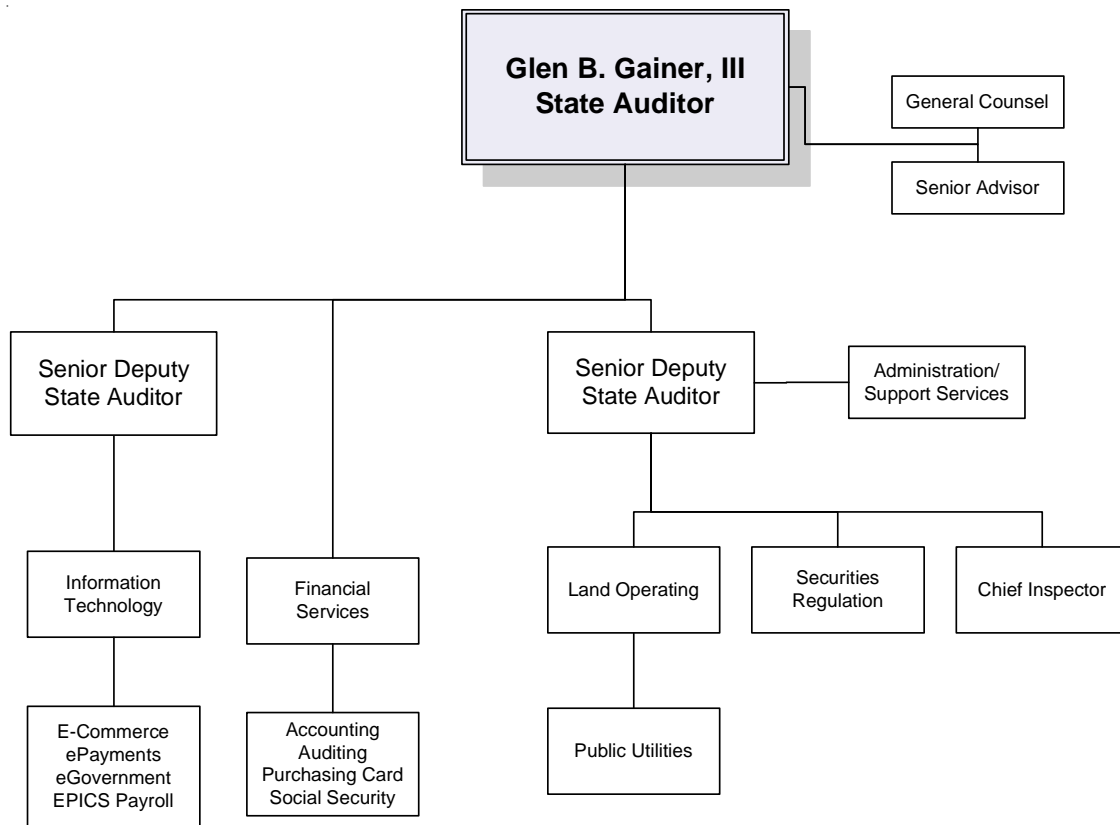


State Auditor's Office

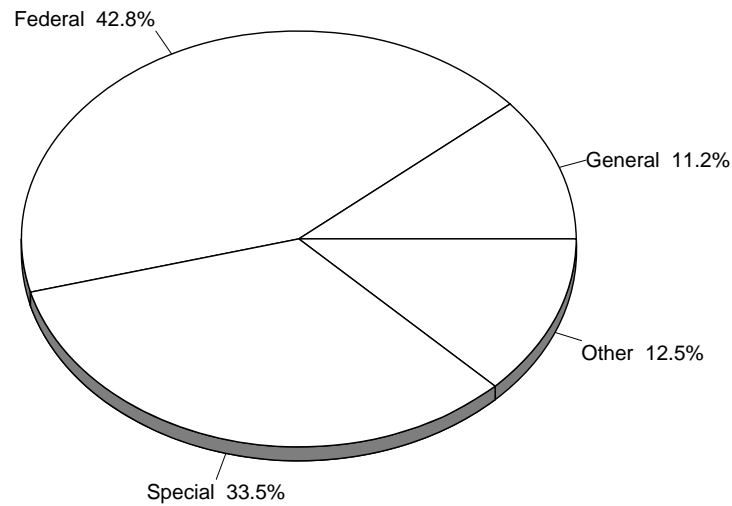


State Auditor's Office

Revenues and Expenditures

Total Available Funds

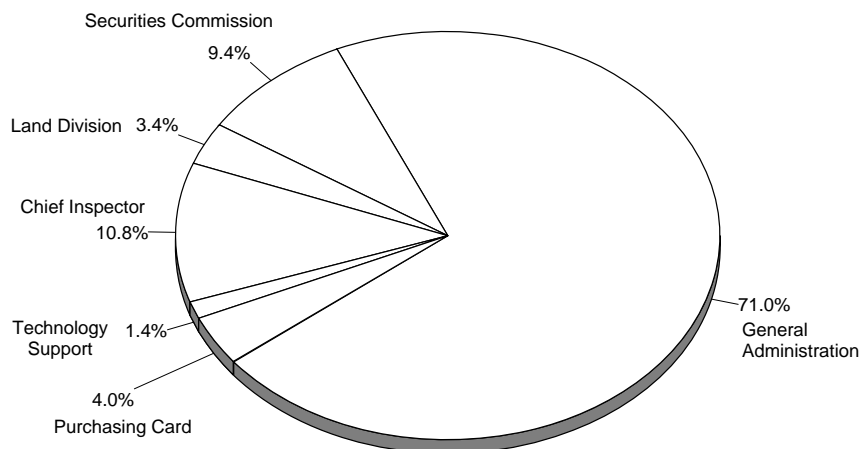
Fiscal Year 2007
\$32,761,477*
(Estimated)



*Beginning balance plus revenues

Recommended Expenditures by Program

Fiscal Year 2007
\$30,165,472



State Auditor's Office

Mission

The State Auditor's Office reviews, processes, and reports the results of the payment of liabilities and collection of revenues of state agencies made on the behalf of the citizens of West Virginia.

Operations

- Ensure accurate and timely financial reporting of the State.
- Provide prompt payment to all vendors.
- Maintain fund ledgers and expenditure and revenue subledgers on the WVFIMS in accordance with the West Virginia Code and applicable legislation.
- Provide efficient oversight of local governments through the Chief Inspector Division.
- Annual review and approval of local governments' budgets and tax levy rates.
- Annual review of compliance with state and federal regulations by local governments.
- Return delinquent land through land sales to the county tax rolls.
- Provide information to citizens concerning securities and other investment products.
- Provide regulation and/or registration of the buying and selling of stocks, bonds, partnership interest, and other securities.
- Registration of broker/dealers and investment advisors and their agents/representatives.
- Enforcement and investigation of state securities, commodities, land sales, timeshares, and oil and gas law violations.
- Administer the purchasing card program by monitoring card use and providing controls to ensure compliance with purchasing card policies and procedures.
- Process all payrolls for state employees.

Recommended Improvements

- ✓ Additional spending authority of \$188,348 in the Land Operations Special Revenue Fund.
- ✓ Additional spending authority of \$607,131 in the Purchasing Card Administration Special Revenue Fund.

State Auditor's Office

Expenditures

	TOTAL FTE POSITIONS 11/30/2005	ACTUALS FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDATION
EXPENDITURE BY PROGRAM					
General Administration	68.00	\$14,927,702	\$21,381,924	\$20,382,075	
Chief Inspector Division	44.00	2,740,667	2,800,000	2,800,000	
Land Division	7.00	943,370	1,013,926	1,036,926	
Purchasing Card Program	8.00	540,090	600,000	600,000	
Securities Commission	24.00	2,473,027	2,831,455	2,831,455	
Technology Support	0.00	811,886	1,147,368	1,147,368	
Less: Reappropriated		0	0	0	
TOTAL BY PROGRAM	151.00	22,436,742	29,774,673	28,797,824	30,165,472
EXPENDITURE BY FUND					
General Fund					
FTE Positions		67.00	58.85	58.85	58.85
Total Personal Services		2,155,266	2,234,633	2,199,905	2,251,997
Employee Benefits		678,484	769,039	769,039	769,039
Other Expenses		737,965	639,107	639,107	639,107
Less: Reappropriated		0	0	0	0
Subtotal: General Fund		3,571,715	3,642,779	3,608,051	3,660,143
Federal Fund					
FTE Positions		2.00	1.34	1.34	1.34
Total Personal Services		60,799	60,359	58,954	60,359
Employee Benefits		12,955	14,586	14,586	14,586
Other Expenses		9,135,856	13,927,422	13,927,402	13,927,422
Subtotal: Federal Fund		9,209,610	14,002,367	14,000,942	14,002,367
Appropriated Special Fund					
FTE Positions		92.00	85.12	85.12	89.12
Total Personal Services		3,283,688	3,542,981	3,476,273	3,724,852
Employee Benefits		1,023,851	1,118,110	1,096,430	1,172,610
Other Expenses		3,201,502	3,637,810	2,885,178	3,849,550
Less: Reappropriated		0	0	0	0
Subtotal: Appropriated Special Fund		7,509,041	8,298,901	7,457,881	8,747,012
Nonappropriated Special Fund					
FTE Positions		5.00	5.69	5.69	5.69
Total Personal Services		257,898	280,039	291,921	291,921
Employee Benefits		75,939	75,246	99,381	99,381
Other Expenses		1,812,539	3,475,341	3,339,648	3,364,648
Subtotal: Nonappropriated Special Fund		2,146,376	3,830,626	3,730,950	3,755,950
TOTAL FTE POSITIONS BY FUND	166.00	166.00	151.00	151.00	155.00
TOTAL EXPENDITURES BY FUND		\$22,436,742	\$29,774,673	\$28,797,824	\$30,165,472

Programs

General Administration

Mission

The processing of transactions in order to provide accurate and meaningful financial data to state, federal, and private entities.

Goals/Objectives

- Develop, support, and maintain the budgetary controls of the centralized accounting system.
- Prepare the annual *West Virginia State Dollar Report* within six months of the close of the fiscal year.
- Maintain payment processing at three days or less.
- Provide training to all state agencies on payment procedures, policies, and other areas as necessary—including an annual payment processing seminar.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Documents received for WVFIMS processing	734,244	725,967	740,000	714,217	730,000	710,000
Documents rejected	14,916	12,930	13,320	14,464	13,000	13,500
Late payment interest paid to vendors	9	1	10	5	5	6

Chief Inspector Division

Mission

Perform financial and compliance audits, oversee the audit procurement process of local governments by independent certified public accountants, provide efficient and effective training, technical assistance, and oversight to local governments within the state.

Goals/Objectives

- Conduct financial and compliance audits of local governments in the most effective and efficient manner.
- Streamline audit programs and procedures.
- Provide regional training on an annual basis to local governments for the Governmental Accounting Standards Board statement (GASB 34) financial reporting model and other accounting issues.
- Provide training and technical assistance as part of the auditing process to local officials on preparing financial statements, and accounting, budgeting, and auditing issues.

Performance Measures

- ✓ 95% of Circular A-133 audits of local governments were conducted within nine months after the end of the fiscal year. These federally-required audits were conducted by the Chief Inspector Division and independent certified public accountants.

Land Division

Mission

The collection and distribution of delinquent taxes and public utilities taxes on behalf of the state, county, and municipal governments.

Goals/Objectives

- Maintain the on-line database of delinquent and nonentered lands.
- Improve the Web page for the delinquent lands and add forms for use by county officials, and individuals.
- Increase the number of delinquent land sales conducted by the State Auditor's Office.
- Decrease the number of delinquent properties under the auspices of the State Auditor's Office.
- Provide public utility property value allocations to state, county, and municipal governments in a timely and accurate manner.
- Prepare and mail tax statements by July 15 of each year.
- Prepare and mail receipts to utilities within 24-hours of receiving them.
- Distribute tax collections on a monthly schedule to state, county, and municipal governments and to county school boards.
- Continue to seek ways to utilize the Internet for communication with the public.
- Continue to seek ways of making all records held by this division available via the Internet.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Delinquent taxes remitted to the counties (millions)	\$1.50	\$1.86	\$1.60	\$1.18	\$1.60	\$1.50
Properties returned to active tax rolls	2,910	2,545	2,800	2,386	2,600	2,400
Public utility taxes distributed (in millions)	\$134.25	\$136.18	\$136.00	\$138.15	\$136.20	\$138.00

Purchasing Card Program

Mission

Administer the State of West Virginia Purchasing Card Program.

Goals/Objectives

- Promulgate a rule to increase the maximum threshold of the state purchasing card and to increase the flexibility of the payment frequency for state agencies.
- Reduce processing costs for invoice payments.
- Streamline procurement methods for small dollar transactions by reducing the time and paperwork associated with the use of purchase orders.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Purchasing card transactions processed	457,478	474,300	500,000	529,094	525,000	600,000
Payments using the purchasing card (in millions)	\$103.72	\$114.80	\$120.00	\$135.00	\$126.00	\$150.00
Average amount per transaction	\$226	\$242	\$225	\$255	\$272	\$300

Securities Commission

Mission

Enforce and administer the West Virginia Uniform Securities Act, the Uniform Commodities Act, and the West Virginia Real Estate Time Sharing Act.

Goals/Objectives

- Maintain a communication network to receive and review reports of fraud.
- Educate the public in financial matters—administering a Seniors Against Investment Fraud program and conducting monthly seminars for Money Matter Financial Literacy Education.

Performance Measures

<u>Fiscal Year</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimated 2005</u>	<u>Actual 2005</u>	<u>Estimated 2006</u>	<u>Estimated 2007</u>
Fraud complaints resolved	86%	78%	85%	77%	90%	94%
Money Matter Financial Literacy Education attendees	4,550	7,039	4,600	3,105	11,000	11,000
Brokers, dealers, and agents registration	73,622	84,432	89,920	88,476	90,157	92,088

Technology Support

Mission

Develop and maintain electronic payment systems the state uses for payments.

Goals/Objectives

- Convert as many paper systems as possible to electronic payment systems.
- By FY 2006, all direct deposits will be initiated by the Electronic Commerce division.
- Provide multiple direct deposit deductions to state employees.
Provide an on-line signup form for direct deposit via the State Auditor's Web site.
- Assist in making information available over the Internet.
- Develop, maintain, and provide enhancements to EPICS, WVFIMS, and VISTA (Vendor Inquiry System to the Auditor).

Performance Measures

<u>Fiscal Year</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimated 2005</u>	<u>Actual 2005</u>	<u>Estimated 2006</u>	<u>Estimated 2007</u>
Direct deposit conversions for payroll	85%	92%	95%	97%	95%	100%
Computer system uptime	99%	99%	100%	100%	100%	100%